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FM AMEMBASSY STOCKHOLM  
TO RUEHC/SECSTATE WASHDC PRIORITY 4267  
INFO RUEHC/DEPT OF LABOR WASHDC PRIORITY

UNCLAS STOCKHOLM 000221

SIPDIS

E.O. 12958: N/A  
TAGS: [ECON](#) [EFIN](#) [ELAB](#) [ETRD](#) [PGOV](#) [SW](#)  
SUBJECT: SWEDISH EMPLOYMENT MINISTER INVITES U.S. SECRETARY  
OF LABOR TO EU MINISTERIAL

REF: A. STOCKHOLM 195  
[1](#)B. STOCKHOLM 157  
[1](#)C. STOCKHOLM 72  
[1](#)D. STOCKHOLM 2008 809  
[1](#)E. STOCKHOLM 2008 709

[1](#)1. This is an action request. Please see paragraph 4.

[1](#)2. At a meeting requested by the Minister for Employment Sven Otto Littorin which occurred on March 31, Littorin told CDA that he has invited Secretary of Labor Hilda Solis to attend an informal meeting of the 27 EU ministers for employment and social affairs ("EPSCO") in Jonkoping, Sweden on July 8, [1](#)2009. Littorin would like Secretary Solis to address the EU ministers about the impact of the financial and economic crisis on labor markets, he said.

[1](#)3. Separately, the Swedish National Institute of Economic Research (KI) published a report on March 31 stating that the current situation in Sweden is as serious as the banking crisis in the early 1990s, though Swedish state finances are in a stronger position than in the 1990s. KI says unemployment will reach 10.7 percent in 2010 and exports will decline by 15 percent. The institute expects the Swedish Central Bank to provide new fiscal measures worth \$965 billion in 2009 and \$6 billion in 2010 as a further stimulus to demand. This report reinforces our earlier reporting (reftels).

[1](#)4. Action request: Littorin will be in Washington May 27 and would like to meet Secretary Solis. With Sweden assuming the EU Presidency July 1, we think such a meeting would provide an important opportunity to coordinate U.S. and EU economic issues.

SILVERMAN